

May 1, 2026

Submitted Electronically

Honorable Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street N.E.
Washington, D.C. 20426

Re: *New York Independent System Operator, Inc.’s Proposed Tariff Amendments to Enhance Settlements of Re-Dispatching Costs Caused by Storm Watch Events;*
Docket No. ER26-____-000.

Dear Ms. Reese:

In accordance with Section 205 of the Federal Power Act¹ and Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”), the New York Independent System Operator, Inc. (“NYISO”) submits proposed revisions to its Market Administration and Control Area Services Tariff (“Services Tariff”) and its Open Access Transmission Tariff (“OATT”) to: (1) allow Storm Watch Costs² to be calculated at the hourly level and billed on customers’ weekly invoices; and (2) clarify the distribution of the allocated charges and credits associated with the Storm Watch Costs.

The NYISO Management Committee approved the proposed revisions, without opposition, on March 25, 2026. The NYISO respectfully requests that the proposed revisions be permitted to take effect on July 1, 2026 (*i.e.*, the day following the end of the statutory 60-day notice period).

¹ 16 U.S.C. § 824d.

² Storm Watch Costs are defined and described in Services Tariff Section 4.1.8 as the re-dispatching costs incurred as a result of reductions in Transfer Capability caused by Storm Watch events. Capitalized terms not otherwise defined herein shall have the meaning specified in the Services Tariff or OATT.

I. List of Documents Submitted

The NYISO submits the following documents with this filing letter:

1. A clean version of the proposed revisions to the Services Tariff (“Attachment I”);
2. A blacklined version of the proposed revisions to the Services Tariff (“Attachment II”);
3. A clean version of the proposed revisions to the OATT (“Attachment III”); and
4. A blacklined version of the proposed revisions to the OATT (“Attachment IV”).

II. Background and Justification

The New York State Reliability Council, L.L.C. (“NYSRC”) Reliability Rules & Compliance Manual requires Consolidated Edison Company of New York, Inc. (“Consolidated Edison”) to operate its transmission system “as if the first contingency has already occurred on its northern transmission system when thunderstorms are within one hour of the system or are actually being experienced.”³ The NYISO refers to these operational conditions as thunderstorm alerts (“TSAs”) or Storm Watch events.

Consolidated Edison determines when to enter Storm Watch conditions and the NYISO applies the necessary transmission constraint set to operate as if the first contingency has already occurred. As a result of actual or anticipated severe weather conditions, the transmission system is redispatched to reliably support Load Zone J (*i.e.*, the New York City area) by increasing local generation and adjusting reserve requirements. These actions result in redispatch and congestion costs, referred to as Storm Watch Costs, which are allocated to and collected from customers in Load Zone J. Storm Watch Costs are then credited to all loads in the New York Control Area (“NYCA”).

Today, Storm Watch Costs are aggregated over multiple events and entered as a manual adjustment on customers’ monthly invoices.⁴ The tariff revisions proposed herein will allow the NYISO to process Storm Watch Costs settlements at the hourly level and include the applicable settlements on weekly invoices.⁵ These enhancements are supported by a current software project effort to automate the Storm Watch Costs invoicing process. The hourly calculations and weekly invoicing will align Storm Watch Costs calculations with other settlements and support more efficient, accurate, and timely settlement of Storm Watch Costs.

³ See New York State Reliability Council Reliability Rules & Compliance Manual, Reliability Rule G.1.

⁴ See NYISO Accounting and Billing Manual, Section 8.1.8.

⁵ The NYISO currently has a separate effort underway with its stakeholders to review the calculation of Day-Ahead and real-time flows associated with TSA events, which will likely continue into 2027. If the NYISO and its stakeholders develop proposed tariff revisions in connection with this effort, the NYISO would submit another filing under Section 205 of the Federal Power Act in the future.

III. Description of Proposed Revisions to the Services Tariff and the OATT

The tariff revisions proposed in this filing modify Services Tariff Section 4.1.8 and OATT Section 6.1.8.

A. Services Tariff Section 4

In Services Tariff Section 4.1.8, the NYISO proposes to remove the reference to recovering Storm Watch Costs on a monthly basis such that the costs can be recovered on weekly invoices based on hourly settlement calculations, consistent with other Energy market settlements. The NYISO also proposes to specify that Storm Watch Costs will be charged to Transmission Customers in Load Zone J and corresponding payments will be made to all Transmission Customers in the NYCA, consistent with the practices already in place and discussed in ISO Procedures.

B. OATT Section 6

In OATT Section 6.1.8, the NYISO proposes to add “payments of Storm Watch Costs by Transmission Customers in Load Zone J in accordance with Section 4.1.8 of the ISO Services Tariff” to the list of payments from Transmission Customers that are collected by the NYISO and distributed as residual cost payments to all Transmission Customers in the NYCA. This approach is consistent with the current practices, as discussed in ISO Procedures.

IV. Effective Date

The NYISO respectfully requests that the proposed revisions become effective July 1, 2026 (*i.e.*, the day following the end of the statutory 60-day notice period).

V. Stakeholder Approval

The Management Committee approved the proposed revisions, without opposition, on March 25, 2026. The NYISO Board of Directors approved the proposed tariff revisions on April 21, 2026.

VI. Correspondence

All communications and correspondence concerning this filing should be directed to:

Robert E. Fernandez, Executive Vice President, General Counsel & Chief Compliance Officer

Karen G. Gach, Deputy General Counsel

Stephanie Amann, Senior Manager of Regulatory & Government Affairs

*James H. Sweeney, Senior Attorney

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* Person designated for receipt of service

VII. Service

The NYISO will send an electronic link to this filing to the official representative of each of its customers, and each participant on its stakeholder committees. The NYISO will send an electronic copy of this filing to the New York State Public Service Commission and the New Jersey Board of Public Utilities. The NYISO will also post a complete copy of this filing on its website at www.nyiso.com.

VIII. Conclusion

The NYISO respectfully requests that the Commission accept the tariff revisions proposed in this filing without modification, with an effective date of July 1, 2026.

Respectfully submitted,

/s/ James H. Sweeney

James H. Sweeney, Senior Attorney

New York Independent System Operator, Inc.

cc: Janel Burdick	Jaime Knepper
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